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MEMORANDUM

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TO: Docket Control

FROM: Ernest G. *Johnson*
Director
Utilities Division

THRU: Matthew Rowell *MR*
Chief, Telecommunications & Energy Section
Utilities Division

DATE: May 11, 2004

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2004 MAY 11 P 12:12
AZ CORP COMMISSION
DOCUMENT CONTROL

RE: IN THE MATTER OF THE APPLICATION OF EL PASO GLOBAL NETWORKS COMPANY REQUESTING CANCELLATION OF ITS CERTIFICATE OF CONVENIENCE & NECESSITY TO PROVIDE COMPETITIVE RESOLD INTEREXCHANGE AND FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES IN ARIZONA. (DOCKET NO. T-03999A-04-0157)

Attached is the amended Staff Report of the application of El Paso Global Networks Company for cancellation of its Certificate of Convenience and Necessity ("CC&N"). Staff recommends cancellation of the CC&N.

Originator: Adam Lebrecht

Attachment: Original and Sixteen Copies

Arizona Corporation Commission
DOCKETED

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STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

EL PASO GLOBAL NETWORKS COMPANY
DOCKET NO. T-03999A-04-0157

IN THE MATTER OF THE APPLICATION OF EL PASO GLOBAL NETWORKS
COMPANY FOR CANCELLATION OF ITS CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE COMPETITIVE TELECOMMUNICATIONS SERVICES IN
ARIZONA

STAFF ACKNOWLEDGEMENT

The amended Staff Report for El Paso Global Networks Company, Docket No T-03999A-04-0157, was the responsibility of the staff member listed below. Adam Lebrecht was responsible for the review and analysis of the Company's application to cancel its Certificate of Convenience and Necessity.

A handwritten signature in black ink, consisting of stylized, cursive letters, positioned above a horizontal line.

ADAM LEBRECHT
Executive Consultant I

Background

On August 6, 2001, the Arizona Corporation Commission ("Commission"), in Decision No. 63931, originally granted a CC&N to El Paso Global Networks Company ("El Paso") to provide competitive intrastate telecommunications service in Arizona as a long distance reseller and a facilities-based local exchange service provider.

El Paso requests Commission approval to discontinue its authority to provide resold long distance and facilities-based local exchange telecommunications services, abandon its CC&N and revoke its tariff in Arizona.

On March 29, 2004, Commission Staff ("Staff") filed a Staff Report recommending approval of El Paso's request to discontinue its authority to provide these services and revoke its tariff in Arizona. On April 19, 2004, a Procedural Order was issued ordering Staff to file an amended Staff Report which addresses whether or not A.A.C. R14-2-1107 is applicable in this matter. This amended Staff Report addresses whether or not A.A.C. R14-2-1107 is applicable in this matter and includes Staff's recommendations concerning El Paso's request to cancel its CC&N and revoke its tariff in Arizona.

Staff Analysis

El Paso filed its application to cancel its CC&N on March 1, 2004. El Paso is no longer providing resold long distance or facilities-based local exchange telecommunications services in Arizona and has no customers.

Consumer Services Staff has indicated that there are no open complaints, inquiries or opinions concerning El Paso. El Paso has informed Staff that all customer deposits and/or prepayments were reimbursed to the customers prior to its request to cancel its CC&N. Consequently, there is no risk that an advance, deposit and/or prepayment of funds from Arizona customers would be lost by canceling El Paso's CC&N.

Because El Paso has no customers, the rules related to the discontinuance of local service described in R14-2-1107 of the Arizona Administrative Code ("AAC") are not applicable.

Since there are numerous other carriers offering similar services, Staff believes granting this application for cancellation of El Paso's CC&N is in the public interest.

Upon cancellation of its CC&N, El Paso will no longer be authorized to provide competitive intrastate telecommunications service as a reseller of long distance service or facilities-based local exchange service in Arizona and therefore, will no longer be subject to the requirements of Decision No. 63931.

Recommendations

Staff recommends the cancellation of El Paso's CC&N.

SERVICE LIST FOR: EL PASO GLOBAL NETWORKS COMPANY

DOCKET NO. T-03999A-04-0157

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Ms. Lyn Farmer
Chief Administrative Law Judge
Arizona Corporation Commission
Hearing Division
1200 West Washington
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Adam

BEFORE THE ARIZONA CORPORATION COMMISSION

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MARC SPITZER, Chairman
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JEFF HATCH-MILLER
MIKE GLEASON
KRISTIN K. MAYES

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AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

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AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF EL
PASO GLOBAL NETWORKS COMPANY FOR
CANCELLATION OF ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY.

DOCKET NO.T-03999A-04-0157

PROCEDURAL ORDER

BY THE COMMISSION:

In Decision No. 63931 (August 6, 2001), the Arizona Corporation Commission ("Commission") granted to El Paso Global Networks Company ("El Paso" or "Applicant") a Certificate of Convenience and Necessity ("Certificate" or "CC&N") authorizing it to provide resold long distance and facilities-based local exchange telecommunications services in Arizona.

On March 1, 2004, Applicant filed with the Commission an application to cancel its Certificate.

On March 29, 2004, the Commission's Utilities Division ("Staff") filed a Staff Report in this matter. The Staff Report did not mention whether or not A.A.C. R14-2-1107 was applicable in this matter.

Accordingly, since El Paso's Certificate included authorization to be a facilities-based local exchange service provider, Staff should address whether or not A.A.C. R14-2-1107 is applicable in this case.

IT IS THEREFORE ORDERED that Staff shall file an amended Staff Report that address the applicability of A.A.C. R14-2-1107 in this matter on or before May 14, 2004.

DATED this 19 day of April, 2004


PHILIP J. DION III
ADMINISTRATIVE LAW JUDGE